



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

**Date:** 5/25/2006

**GAIN Report Number:** JA6508

## Japan

### Market Development Reports

#### Food Business Line - Periodic Press Translations

2006

**Approved by:**

Kevin Sage-EL, Deputy Director, ATO Tokyo  
Agricultural Trade Office

**Prepared by:**

Juri Noguchi, PR Specialist, ATO Tokyo

---

**Report Highlights:** *Am/pm Japan Co., Ltd.* to include nutritional supplements in box lunch sets; *Skylark Co., Ltd.* will begin indicating the origin of ingredients in its 3000 restaurants; Livestock farmers explore developing restaurants and retail stores in Tokyo in order to showcase their pork and beef products; *Sapporo Breweries* starts sales of wines with special properties, using no anti-oxidizing agents and high in polyphenols; Sales increase for produce grown without chemicals in anticipation of new "Positive List" regulations effective in May.

---

Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Tokyo ATO [JA2]  
[JA]



## Food Business Line

Periodic Press Translations from ATO Tokyo Vol. VI, Issue 2, February 1-28, 2006

### Retail/Wholesale

- *Am/pm Japan Co., Ltd.* will make a new offering on the market consisting of a healthy menu box lunch, which will include a sample of a nutritional supplement (multi-vitamin). (b. 2/15)
- Major frozen food manufacturers including *Ajinomoto Co., Inc.* are targeting the middle-aged consumer segment for the first time in the recent years. New and reformulated lines of rice menu items using high quality special blend rice and improved taste are quickly entering the market. (b. 2/20)

### Food Service

- *Skylark Co., Ltd.* will begin indicating the origin of ingredients beginning with the revision of its spring menu. Initially, origin information will be shown for meat and seafood. With this activity to include almost 3,000 Skylark outlets, there is likely to be an influence on the whole food service industry. (b. 2/1)
- *Aim Services Co., Ltd.*, one of the major institutional food service companies, will establish its research and development department called Innovative Dining Solutions Center in April to develop nutritious and high value-added menus matching customers' needs. Simultaneously, the company will apply the brakes to the low price competition strategy. (b. 2/12)
- Livestock farmers started developing restaurants and retail stores in Tokyo under their own direct management to sell their pork and beef products. In recent years, livestock farmers have tried to promote their own new brands in various regions of Japan. However, they have difficulty expanding their branded sales in competition with other already established brands in Tokyo and other heavily populated markets. (b. 2/12)
- According to the reports, sales in December 2006 by the top two family restaurants in Japan - total sales of *Skylark Co., Ltd.* will increase by 3.0% while that of Royal Holdings will increase by 10.3% compared to the same month last year. (b. 2/20)
- According to the interim report of the Japan Food Service Association's survey regarding menu and food labeling, 78.5% of 135 surveyed companies released information in any style. The most frequent content of the labeling was "allergy", which increased by 1.9 percentage points to 51.9%. The second frequent was "nutrition", and the third was "country of origin". (b. 2/27)

### Food Processing/New Products/Market Trends

- *Kirin Beverage Co.* will start its sales promotion in cooperation with Japan Vegetable and Fruits Meister Association which certifies the "Vegetable Sommelier". The sommelier will do in-store campaign to promote high quality of the product materials. (b. 2/3)
- The sales of frozen spinach is 4.7 times larger than the same week of last year due to the record coldest weather of this winter. Contrary to the frozen spinach, the sales of salad dressing decreased by 5-10% and that of condensed milk also decreased by 30.5% due to the shortage of salad leaves and strawberries. (g. 2/9)
- The market size of drug stores is expanding. According to the Japan Chain Drug Store Association's forecast, the total sales of all drug stores to be 4.5 trillion yen, which is 6.0%

increase compared to last year and doubled in 5 years. The well-stocked and a variety of nutrition supplements and discount sales of cosmetics contributed the increased number of customers. (a. 2/11)

- Sapporo Breweries starts selling new lines of domestic wines made by new technology in March. Polyphenol. No anti-oxidize agent is used, while oxygen in wine is successfully decreased to 1/20 compared to other regular wines with anti-oxide agent by applying their brewing technology for beer. (b. 2/3)
- U.S. beef, shipped before that date of the reinstated ban on Jan. 20, arrived at customs by sea or air but has not been allowed to pass the animal quarantine. About 1,366 tons of U.S. beef are being stored at warehouses, according to an association of 31 meat exporters and importers in Japan. Although the organization asked on Feb. 9 that the U.S. Meat Export Federation buy back the meat and also pay the cost of storage, no response has been received. (a. 2/23)

### **Food Safety/Consumer Awareness**

- According to the Japan Public Management Ministry's household expenditure survey completed on February 10, total household expenditure for food in 2005 declined by 1.2% compared to 2003. However, per capita expenditure for food decrease slightly by 0.5% taking into account a 0.9 decrease in the number of household members. (f. 2/13)
- According to "1000 House-holding Survey" conducted by the Nikkei MJ newspaper, almost 60% replied that they will not buy U.S. beef after the resumption of U.S. beef imports. Demographic result shows that the older, the higher ratio of not-buying U.S. beef because they "cannot trust its safety" (61.6%), "don't need beef to be the U.S.'s" (16%) and "feel opposed to the attitude of the U.S." (15.2%). (b. 2/15)
- The sales of domestic produce of value added by using of beneficial insects and microbes to control noxious pests to decrease the amount of pesticide use and increase the quality started expanding. It is likely to be popular due to the enforcement of "Positive List" chemical residue regulations starting in May. (b. 2/27)
- SK Foods Co., Ltd., one of frozen food manufacturers, will introduce in the market shrimp products which were cultured without antibiotics and compound feed. They made it possible by establishing technology and hatchery plant which enabled to raise shrimp fry in Indonesia. (b. 2/27)

### **ATO/Cooperator/Competitor Activities/Trade Shows**

- Raisin Administrative Committee and U.S. Dairy Export Council held California Raisin & American Cheese Baking Seminar in cooperation with Nippun Co, Ltd., February 14-15 in Tokyo. Approximately 1600 experts of baking technology and development from bakery industry attended. Similar events will be held in other cities including Sapporo, Osaka Kobe and Nagoya. (f. 2/23)

### **☞ Sources ☞**

- |                                  |   |
|----------------------------------|---|
| (a) The Japan Economic Newspaper | (b) The Nikkei Marketing Journal        |
| (c) The Japan Food Journal       | (d) The Beverage & Food News Commentary |
| (e) The Japan Food News          | (f) The Food Industry News              |
| (g) Fuji Sankei Business I       | (h) Pan News                            |
| (i) Nihon Keizai Shimbun         |   |

DISCLAIMER - *Food Business Line* is derived from major Japanese news wires, mass distribution press, and food industry newspapers and magazines. Inclusion of an item in *Food Business Line* does not imply agreement by USDA or U.S. Embassy/Tokyo; nor does USDA or U.S. Embassy/Tokyo attest to the accuracy or completeness of the translation of the news item. ATO Tokyo cannot further translate or send source materials to users.